

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA  
AT HUNTINGTON**

**OHIO VALLEY ENVIRONMENTAL  
COALITION, INC., WEST VIRGINIA  
HIGHLANDS CONSERVANCY, INC.,  
COAL RIVER MOUNTAIN WATCH,  
and SIERRA CLUB,**

**Plaintiffs,**

**Civil Action No. 3:15-cv-04101**

**v.**

**HOBET MINING, LLC**

**Defendant.**

**STATUS REPORT**

1. On May 12, 2015 (the “Petition Date”), Patriot Coal Corporation and certain of its affiliates (collectively, the “Debtors”) each filed a petition with the United States Bankruptcy Court for the Eastern District of Virginia (the “Court”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). No party has requested the appointment of a trustee or examiner in the Debtors’ chapter 11 cases, and on May 21, 2015, the Office of the United States Trustee for the Eastern District of Virginia (the “U.S. Trustee”) appointed an official committee of unsecured creditors in the Debtors’ chapter 11 cases (the “Committee”).

2. On July 13, 2015, the Debtors filed the *Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 499] and the *Disclosure Statement for the Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 498]. Subsequently, the Debtors filed amended versions of their plan of reorganization and disclosure statement [Docket Nos. 858, 859, 880, and 881], and on September 18, 2015, the Debtors filed the *Fourth Amended Disclosure Statement for the Debtors’ Fourth*

*Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1333] and the *Debtors' Fourth Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1332] (as amended, modified, and supplemented, the "Fourth Amended Plan").<sup>1</sup>

3. The Fourth Amended Plan proposes to consummate the Blackhawk Transaction and the VCLF Transaction, which together provide for the sale of substantially all of the Debtors' assets. The Debtors commenced solicitation of the Fourth Amended Plan on September 18, 2015. The Scheduling Order established October 2, 2015 at 4:00 p.m. prevailing Eastern Time as the deadline to vote to accept or reject the Plan.

4. The Scheduling Order also established September 28, 2015 as the deadline to object to Confirmation of the Plan. Forty-eight (48) parties filed formal objections. In advance of Confirmation, the Debtors worked to resolve these objections. These efforts resulted in settlements with many of the objecting parties, including the Official Committee of Unsecured Creditors and the Prepetition LC Lenders. These settlements and other modifications were reflected in the revised Fourth Amended Plan filed on October 7, 2015 [Docket No. 1579]. On October 8, 2015, the Debtors filed their second amended Plan Supplement [Docket No. 1593], which incorporated, among other things, an additional settlement agreed to between the Debtors and the West Virginia Department of Environmental Protection (the "WVDEP Settlement"). However, the Debtors were unable to resolve certain objections raised by the U.S. Trustee and Cortland Capital Market Services, LLC.

5. A contested hearing to consider Confirmation of the Fourth Amended Plan and approval of the related Disclosure Statement began on October 7, 2015. At the conclusion of the

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<sup>1</sup> Capitalized terms used but not otherwise defined herein are used as defined in the Fourth Amended Plan.

hearing on October 9, 2015, the Court entered the *Findings of Fact, Conclusions of Law, and Order (I) Confirming the Debtors' Fourth Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code and (II) Approving the Fourth Amended Disclosure Statement* [Docket No. 1615] (the "Confirmation Order"), confirming the Fourth Amended Plan and overruling all remaining objections to Confirmation of the Fourth Amended Plan.

6. As set forth in the Confirmation Order, all objections related to the assumption and assignment of executory contracts and unexpired leases were adjourned to the omnibus hearing scheduled for October 22, 2015 at 10:00 a.m. prevailing Eastern Time. In advance of that hearing, the Debtors worked to resolve these objections. These efforts resulted in settlements with many of the objecting parties, and those settlements are reflected in the *Agreed Order Regarding Reserved Objections to Assumption and Assignment of Certain Executory Contracts and Unexpired Leases* [Docket No. 1736] and certain other agreed orders to be entered by the Court.

7. In accordance with Article IX.A of the Fourth Amended Plan, the occurrence of the Effective Date was conditioned upon, among other things: the closing of the Blackhawk Transaction on or concurrently with the Effective Date; the closing of the VCLF Transaction on or concurrently with the Effective Date (unless waived as set forth in Article IX.A of the Fourth Amended Plan); the execution, consummated, and effectiveness of the WVDEP Settlement; and the DIP Lenders agreeing to refinance or roll over the DIP Facility pursuant to the terms of the Blackhawk Transaction Documents. Following Confirmation, the Debtors worked to satisfy these conditions. The Blackhawk Transaction has been deemed effective as of 12:01 a.m., prevailing Eastern Time, on October 26, 2015, and the VCLF Transaction has been deemed effective as of 12:01 a.m., prevailing Eastern Time, on October 27, 2015. All other conditions

under the Fourth Amended Plan have been satisfied. Accordingly, on October 28, 2015, the Debtors filed the *Notice of (I) Confirmation of the Debtors' Chapter 11 Plan of Reorganization, (II) Occurrence of the Effective Date, and (III) Related Bar Dates* (the "Effective Date Notice") [Docket 1751]. As stated in the Effective Date Notice, the Effective Date of the Fourth Amended Plan occurred on October 26, 2015, and the Effective Date has been fixed as the record date for purposes of making distribution under the Fourth Amended Plan on account of Allowed Claims and Allowed Interests, except as otherwise provided by the Fourth Amended Plan or the Confirmation Order. The Fourth Amended Plan is now effective and binding on other parties in accordance with its terms.

Respectfully submitted,

Hobet Mining, LLC

By Counsel

**/s/ Christopher M. Hunter**

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**Defendant.**

**CERTIFICATE OF SERVICE**

I, Christopher M. Hunter, do hereby certify that on October 29, 2015, I electronically filed the foregoing STATUS REPORT with the Clerk of the Court using the CM/DCF system, which will send notification of such filing to the following:

J. Michael Becher  
Appalachian Mountain Advocates  
117 East Washington Street, No. 3  
P.O. Box 507  
Lewisburg, WV 24901

**/s/ Christopher M. Hunter**

Christopher M. Hunter (WVSB # 9768)